



American Gilsonite Company
Bonanza Mine Site
29950 South Bonanza Highway
Bonanza, UT 84008
Phone: (435) 789-1921
Fax: (435) 781-1956

M1047/0010
April
6909

Monday, September 28, 2015

Ms. April Abate
Department of Natural Resources
Division of Oil, Gas and Mining
1594 West North Temple, Suite 1210
Salt Lake City, Utah 84116

RECEIVED
OCT 05 2015
DIV. OF OIL, GAS & MINING

Re: Request for Bond Estimate, Underground Injection Control (UIC) Well Pad

Dear Ms. Abate:

American Gilsonite Company (AGC) would like to request the bond estimate for the well pad associated with a proposed underground injection well currently under permit approval by the EPA. The pad is planned to be 200' x 200' square and will be located within AGC surface ownership land located in the SWSE of Section 3 within T9S, R24E. AGC accepts the division's policy for the calculation for the minimum bonding on a pad of one acre. The well pad and the bond will fall under the guidelines set forth under the Bonanza general permit M/047/0010.

The injection well proposed depth is approximately 1,570 feet and AGC has posted a bond for the well with the EPA. As per the state requirements, AGC will discuss with the EPA the ability within their statutes to list the Division of Oil, Gas and Mining as a co-beneficiary on this bond.

Sincerely,

A handwritten signature in black ink, appearing to read 'Nick Lott', written over a horizontal line.

Nicholas J. Lott
General Manager
American Gilsonite Company

Enclosures: Google Earth map of UIC Well Pad

xc: Mine Plan File, DOGM

UIC Well Pad

Legend

AGC

UIC Well Pad

E-34

E-33

E-32

E-31

AGC Surface Ownership

UIC Well Pad

Google earth

3000 ft

N